

Message Text

LIMITED OFFICIAL USE

PAGE 01 TUNIS 09269 310708Z

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 MCE-00 CIAE-00 DODE-00 PM-05

H-01 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01

SP-02 SS-15 USIA-06 ACDA-12 OMB-01 TRSE-00 EB-08

AID-05 IGA-02 /097 W

-----049251 311442Z /41

R 301719Z DEC 77

FM AMEMBASSY TUNIS

TO SECSTATE WASHDC 9420

AMEMBASSY ALGIERS

AMEMBASSY STOCKHOLM

AMEMBASSY TRIPOLI

LIMITED OFFICIAL USE TUNIS 9269

E.O. 11652: N/A

TAGS: EAIR, SW, TS

SUBJECT: SWEDISH RADAR SALE TO TUNISIA

REF: STOCKHOLM 5177

1. CITIBANK REPRESENTATIVE INFORMED US DECEMBER 28 THAT OFFICER OF SVENSKA HANDELSBANKEN WAS HERE TWO WEEKS EARLIER TO NEGOTIATE DETAILS OF \$12 MILLION LOAN TO COVER SALE OF RADAR BY L... ERICSON TO TUNISIAN MINISTRY OF DEFENSE.

2. CITIBANK ASSUMES RADAR PURCHASE GOING AHEAD BUT CITIBANK WITHDREW ITS OFFER TO FINANCE \$6 MILLION OF DEAL WHEN MINISTRY OF DEFENSE OFFICIALS RAISED OBJECTIONS TO STANDARD DEFAULT AND ARBITRATION CLAUSES IN LOAN AGREEMENT AND INDICATED THAT THEY DID NOT WISH TO MAKE TRANSACTION PUBLIC.

(WITHOUT RATIFICATION BY NATIONAL ASSEMBLY, CITIBANK LAWYERS HELD THAT LOAN MIGHT NOT BE BACKED

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TUNIS 09269 310708Z

BY FULL FAITH AND CREDIT OF STATE OF TUNISIA.)

3. LOAN WAS TO BE AT FIXED RATE OF 8 PERCENT OVER NINE AND ONE-HALF YEARS. CITIBANK ASSUMES ARRANGEMENTS NOW BEING MADE FOR FULL SWEDISH FINANCING WITH SWEDISH GOVERNMENT GUARANTEE.

4. CITIBANK REPRESENTATIVE EXPRESSED PUZZLEMENT AT DESIRE FOR SECRECY AND OTHER PROBLEMS RAISED BY GOT SINCE THESE HAD NOT ARISEN IN CASE OF LARGER LOAN, VIA TUNISIAN OFFICE OF COMMERCE, FOR OTHER NON-LETHAL MILITARY EQUIPMENT (GERMAN TRUCKS AND PERSONNEL CARRIERS).

5. COMMENT. FOR VARIOUS REASONS, REAL OR IMAGINED, GOT USUALLY IS SECRETIVE WHEN IT COMES TO ACQUISITION OF ANY MILITARY EQUIPMENT. FACT THAT RADAR IS NON-LETHAL IS REALLY NOT SIGNIFICANT, ACCORDING TO TUNISIAN PERCEPTIONS. PROCEDURAL PROBLEMS AND DELAYS IN SALES TO TUNISIAN MINISTRY OF DEFENSE ALSO ARE FAMILIAR PHENOMENON. EMBASSY SEES TUNISIAN "DESIRE FOR SECRECY AND OTHER PROBLEMS" IN THIS CASE AS PAR FOR THE COURSE.
MULCAHY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: RADAR, SALES
Control Number: n/a
Copy: SINGLE
Sent Date: 30-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TUNIS09269
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780004-0633
Format: TEL
From: TUNIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977122/aaaaabct.tel
Line Count: 79
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 74760efd-c188-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STOCKHOLM 5177
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 134049
Secure: OPEN
Status: NATIVE
Subject: SWEDISH RADAR SALE TO TUNISIA
TAGS: EAIR, SW, TS
To: STATE ALGIERS
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/74760efd-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009